



DIVISION OF
ENFORCEMENT

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
DENVER REGIONAL OFFICE
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February 7, 2025

Honorable Gregory H. Woods
U.S. District Court for the
Southern District of New York
Daniel Patrick Moynihan United States Courthouse
500 Pearl Street, Room 2260
New York, NY 10007

USDC SDNY
DOCUMENT
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MEMORANDUM ENDORSED

Re: *SEC v. Fernando Passos, 1:22-CV-03156-GHW; Request to Adjourn Initial Pretrial Conference and Associated Deadlines Based on Settlement in Principle.*

Dear Judge Woods:

Counsel for Plaintiff United States Securities and Exchange Commission (“SEC”) and Defendant Fernando Passos respectfully write to notify the Court that the SEC and Mr. Passos have reached agreement in principle on a proposed settlement, which undersigned SEC counsel plans to recommend for approval by the SEC’s Commissioners. While the SEC staff and Mr. Passos have reached an agreement in principle, the parties are finalizing executable settlement documents. Counsel for Mr. Passos anticipates that, primarily due to the fact that Mr. Passos is a resident of Brazil, it may take an additional two weeks for Mr. Passos to provide executed settlement documents to the SEC staff.

The SEC notes that its decision-making body consists of Commissioners appointed by the President with the advice and consent of the Senate. *See* 15 U.S.C. § 78d(a). Only the Commissioners, and not the staff of the SEC, have authority to settle an action filed in federal

District Court. After final executed settlement documents are provided to the SEC staff, the process to determine if the Commission will accept the settlement offer can take several months. Once the SEC's Commissioners consider the proposed settlement, the SEC will promptly notify the Court of the result, and if the SEC's Commissioners approve the settlement, the SEC will promptly file the appropriate settlement paperwork requesting the Court to enter Final Judgment.

WHEREFORE for the foregoing reasons and good cause shown, the SEC and Mr. Passos respectfully request that the Court grant this Joint Letter Motion and enter an order adjourning all case deadlines, including the current February 20, 2025 due date for a Joint Letter and Proposed Case Management Plan, and the initial pretrial conference scheduled for February 27, 2025 at 2:00 p.m., Dkt. No. 43, to allow the parties to finalize settlement documentation and the SEC staff to seek the Commissioners' approval of the proposed settlement.

Date: February 7, 2025


Sincerely,

/s/ Zachary T. Carlyle
 Zachary T. Carlyle, Esq. (*pro hac vice*)
 Jodanna Haskins (*pro hac vice*)
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Application granted. The parties' request for an adjournment of the initial pretrial conference, Dkt. No. 44, is granted. The initial pretrial conference scheduled for February 27, 2025 is adjourned *sine die*, as is the corresponding February 20, 2025 deadline to submit the materials described in the Court's December 23, 2024 order. The parties are ordered to submit a joint letter no later than May 5, 2025 updating the Court on the status of the settlement if no stipulation of dismissal has been filed by that date. The Clerk of Court is directed to terminate the motion pending at Dkt. No. 44.

SO ORDERED.

Dated: February 7, 2025
 New York, New York


 GREGORY H. WOODS
 United States District Judge

/s/ Cory C. Kirchert (with permission)
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